

Memo



From: Terry Whiteside
Date: September 12, 2007
Re: **Transportation Report**



United States Beet Sugar Association



The Honorable James Oberstar
U.S. House of Representatives
Washington, DC 20515

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Dear Mr. Chairman,

As leading national organizations representing a variety of agriculture interests whose members depend on rail for a significant portion of their transportation needs, we are writing to express our strong support for H.R. 2125, the Rail Competition and Service Improvement Act of 2007, and to commend you for your leadership on this issue.

Rail transportation remains a critical component to the agriculture industry as it moves commodities to domestic and international markets from the producers in rural America. We continue to be supportive of safe, efficient, and economical rail infrastructure system. However, the lack of competition among the railroads has resulted in unreasonably high rates and unreliable service for the agriculture producers, which could result in loss of market share to international competitors.

H.R. 2125 is critically important to ensure that rail customers have access to competitive rail service and that those rail customers without access to competition are protected from unreasonable railroad rates and practices and have access to reliable rail service. Certain provisions of the legislation, such as final offer arbitration, are especially important to the agriculture industry.

As you are working to investigate rail competition and service further during your hearing in the House Transportation and Infrastructure Committee on September 20, 2007, we commend you for your leadership on this issue. We believe H.R. 2125 goes a long way toward addressing the problems U.S. agriculture has had and continue to have with lack of rail competition and unreliable service. We urge you to continue your efforts to move this legislation through Congress.

Sincerely,

Alliance for Rail Competition

American Soybean Association

American Sugarbeet Growers Association

National Associations of Wheat Growers

National Barley Growers Association

National Farmers Union

United States Beet Sugar Association

USA Dry Pea & Lentil Council

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US Dry Bean Council

USA Rice Federation